



Representative Photo

NNN LEASE INVESTMENT

# Coffee Bean & Tea Leaf

## Fountain Valley, CA

CBRE

## EXCLUSIVELY MARKETED BY

### ALEX KOZAKOV

First Vice President  
+1 213 613 3031  
Lic. 01416489  
alex.kozakov@cbre.com

### PATRICK WADE

First Vice President  
+1 213 613 3071  
Lic. 01454690  
patrick.wade@cbre.com

### HEATHER GARRETT

Operations Manager  
+1 213 613 3367  
Lic. 01940192  
heather.garrett@cbre.com

### ERIC ROY

Associate  
+1 213 613 3410  
Lic. 01943774  
eric.roy@cbre.com

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# INVESTMENT OVERVIEW

## PROPERTY SUMMARY

ADDRESS:	Coffee Bean & Tea Leaf 16225 Harbor Boulevard Fountain Valley, CA 92708
LIST PRICE:	\$3,460,000
RENTABLE SF:	1,900 SF
LAND AREA:	22,651 SF
CURRENT NOI:	\$138,500/YR
CAP RATE:	4.0%
INCREASES:	10% Increases Every Five Years
LEASE TYPE:	Net Net Lease (LL Responsible Roof & Structure)
LEASE TERM:	10 years
LEASE EXPIRATION:	February 28, 2025
YEAR BUILT:	2009/2015
PARKING:	17 Spaces Plus Reciprocal & Drive-Thru
TRAFFIC COUNTS:	40,395 - Harbor Boulevard 22,801 - Edinger Ave 63,196 - Combined at Intersection

## INVESTMENT HIGHLIGHTS

### Trophy NNN Investment with Corporate Guarantee

- Excellent Opportunity to Purchase a **Brand New 10-Year Leased** Coffee Bean & Tea Leaf Located in a Highly Trafficked Area of Orange County
- **Corporate Guaranteed Lease with International Coffee & Tea, LLC**, the World's Largest Private Coffee and Tea Retailer with Over 900 Stores in 30 Countries
- International Coffee & Tea, LLC is Partially Owned by Advent International - One of the World's Largest Private Equity Investors with **Over \$32 Billion in Assets Under Management**
- Rare New Remodel with Ample Parking and Drive-Thru
- International Coffee & Tea, LLC Originated and Currently Headquartered in Los Angeles

### Minimal Management Requirements with Long-Term Stability

- Single-Tenant Net Lease: **Passive Investment**, which is Ideal for Absentee Owners
- **Rare Brand New 10-Year Firm Term Lease** plus Options to Renew
- Stable Income with Improving Returns due to **10% Increases Every Five Years**, which Provides a Hedge Against Inflation
- Ownership (including improvements) allows for depreciation, which enhances after-tax cash flow
- **Delivered Free & Clear of Debt**, which Allows Investors to Pay Cash or Obtain New Financing at Historically Low Interest Rates
- **Excellent High-Traffic Corner Location** on "Going to Work" side of Harbor Boulevard
- Located at Signalized Intersection with Over 65,700 Vehicles/Day
- Within Blocks from Numerous Businesses

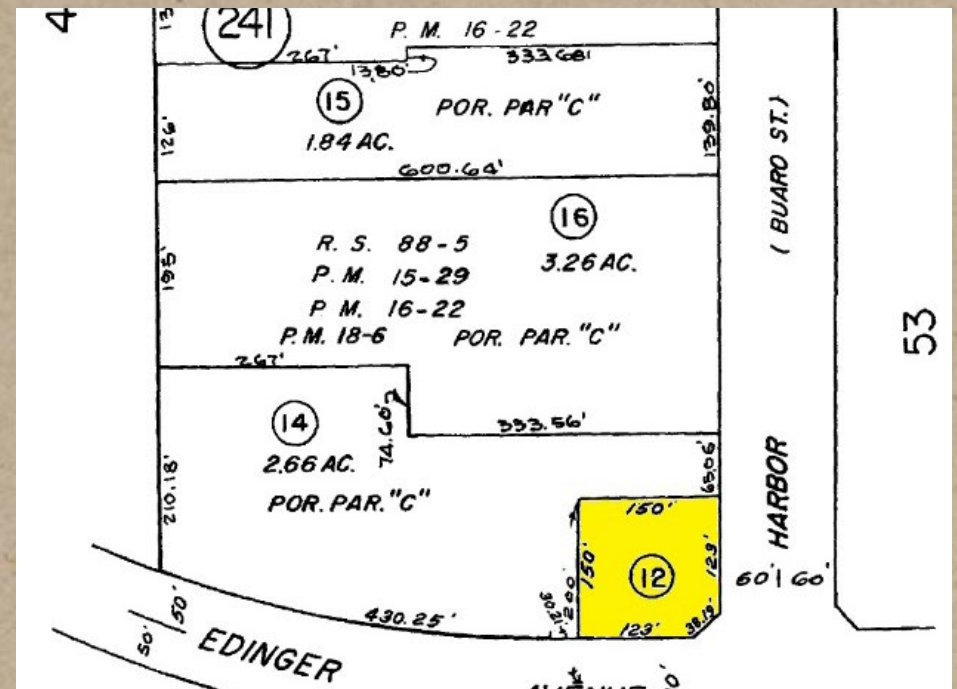
# OFFERING SUMMARY

## LEASE SUMMARY

PROPERTY:	16225 Harbor Boulevard Fountain Valley, CA	TENANT RESPONSIBILITIES:	Taxes, insurance, utilities & maintainance of the common area & premises.
TENANT:	Coffee Bean & Tea Leaf	LANDLORD RESPONSIBILITIES:	Maintaining in good order and repair all portions of the roof and structure.
GUARANTOR:	International Coffee & Tea, LLC	ASSIGNMENT/SUBLETTING:	Tenant cannot sublease without approval and cannot assign or transfer any part of interest in lease
LEASE TYPE:	Net Net Lease		
PROJECTED RENT COMMENCEMENT*:	May 2015		
EXPIRATION DATE:	February 28, 2025		
LEASE TERM:	Ten (10) years, together with two 5-year options to extend		
BUILDING SF:	1,900 SF		
YEAR 1 NOI:	\$138,500		
SCHEDULED RENT INCREASES:	YEAR: 2020-2025: \$152,350/yr 2023-2028*: \$167,585/yr 2028-2033*: \$184,344/yr *Options		
RENEWAL OPTIONS:	Two (2) successive options to extend of five (5) years each		

\*Rent shall commence the earlier of 1) store opening for business; or 2) June 3, 2015 (120 days following the permit date).

## TAX MAP





# The Coffee Bean & Tea Leaf

Pickup Here

Order Here

Open



4,705 ADT

Lilac Ave

curacao

GameStop  
power to the players™

Dollar Tree Stores, Inc.

Edinger Ave

Harbor Blvd

Bank of America

Walgreens

SITE



22,801 ADT

TACO BELL

Sizzler

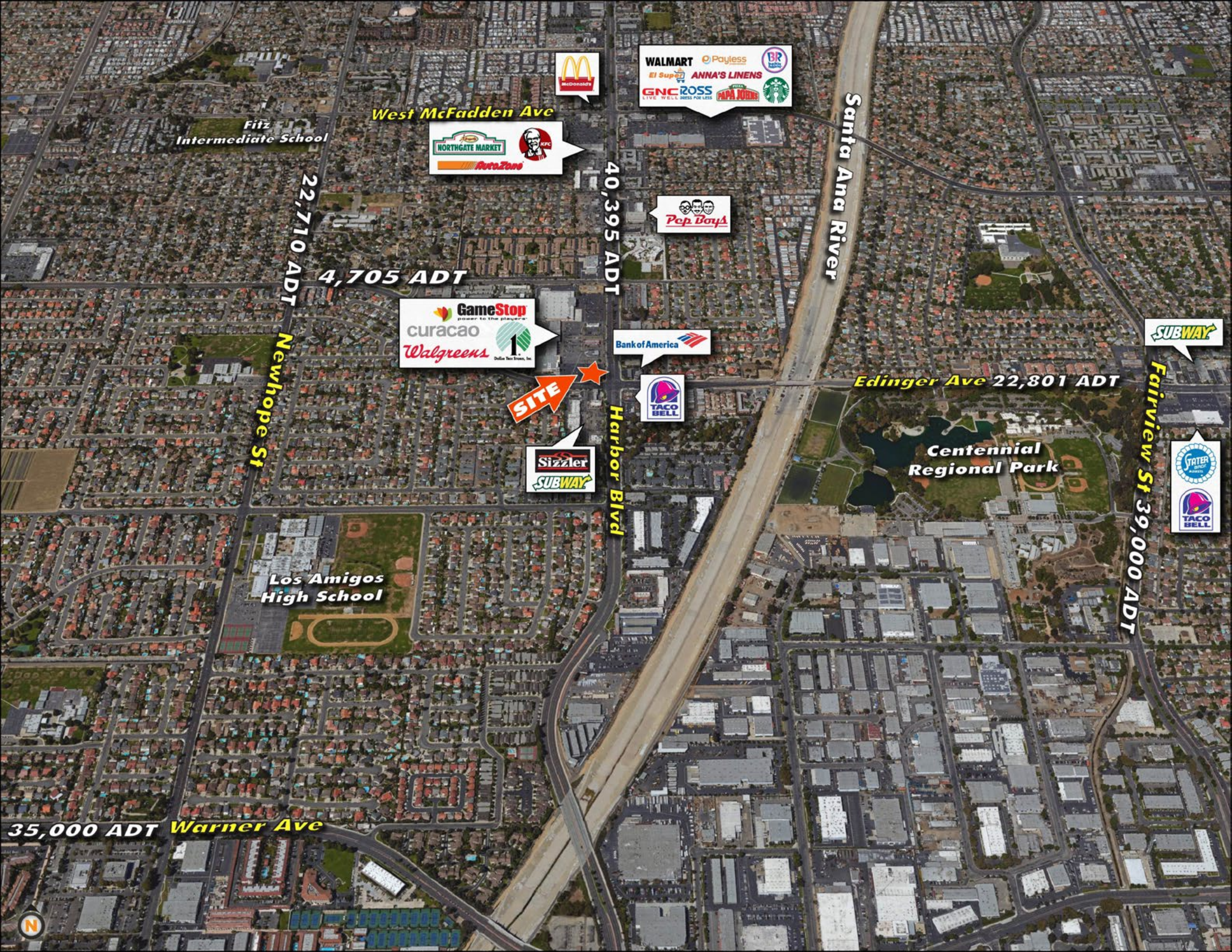
40,395 ADT

SUBWAY





*Valarmathi Sanjeev*



Fitz Intermediate School

West McFadden Ave



40,395 ADT



22,710 ADT

4,705 ADT



Santa Ana River

Edinger Ave 22,801 ADT



Centennial Regional Park



Los Amigos High School

Harbor Blvd

Fairview St 39,000 ADT



35,000 ADT Warner Ave



# AREA OVERVIEW

## SUBJECT PROPERTY

CBRE is pleased to offer the Coffee Bean & Tea Leaf in Fountain Valley – a trophy NNN investment property with a new 10-year lease term. The offering provides investors with the security of a corporate guarantee from International Coffee & Tea, LLC – the world’s largest privately held coffee and tea retailer. They have over 900 locations in 23 countries, and the ownership of International Coffee & Tea, LLC includes Advent International – one of the world’s largest private equity investors with over \$32 Billion in assets under management. The property is strategically located at the signalized intersection of Harbor Blvd. & Edinger Ave. (over 63,000 vehicles/day). This brand new 10-year lease has 10% increases every 5 years, plus options to renew. The new prototype building has ample parking and a drive through, making it a convenient location for customers on their way to/from work.

- Located at Signalized Intersection with Over 63,000 Vehicles/Day
- New 10-Year Corporate Guarantee Lease from 900+ Unit Operator



## AREA OVERVIEW

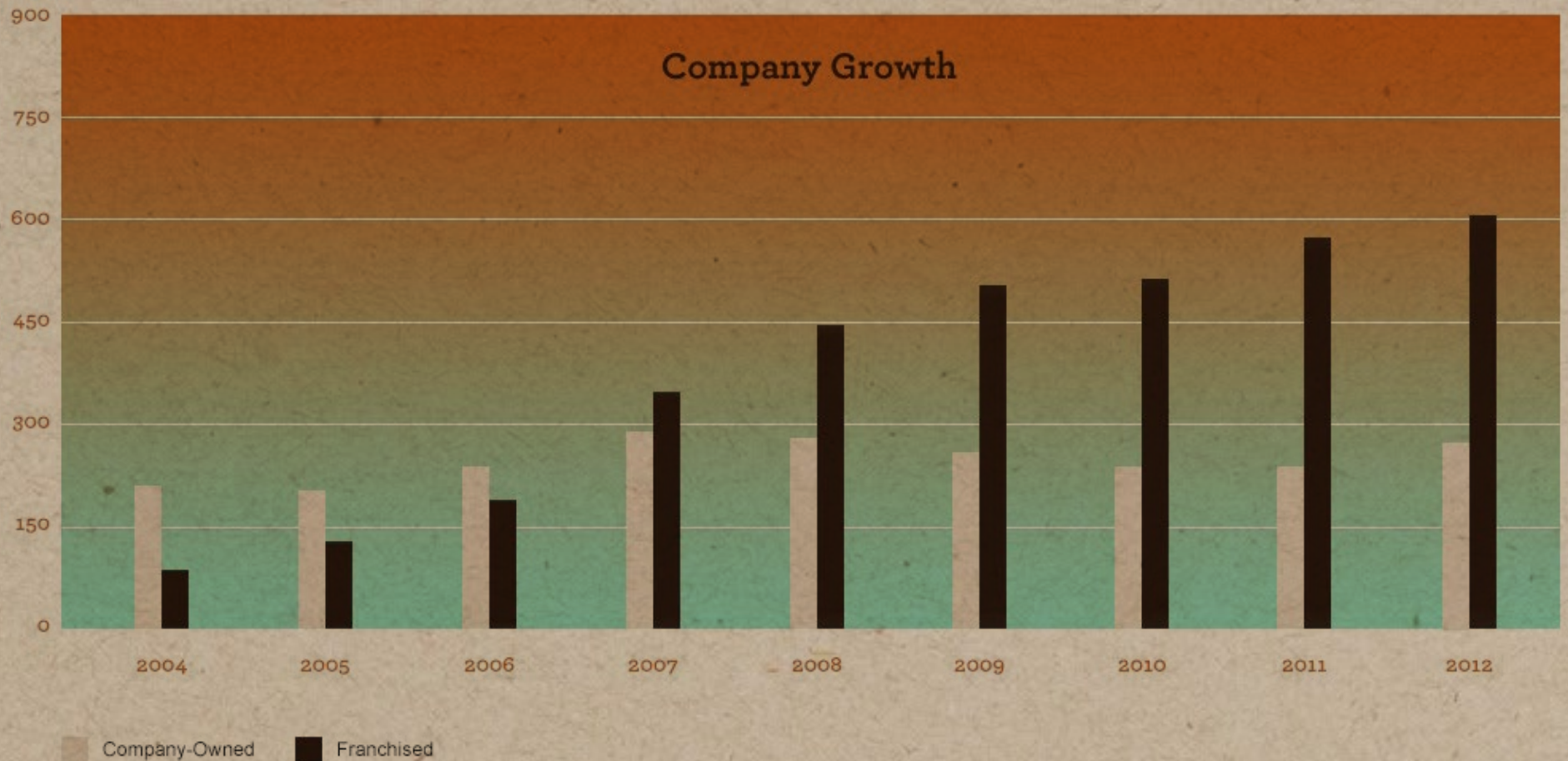
Located in the heart of Orange County, Fountain Valley is minutes away from many points of interest including Disneyland, Knotts Berry Farm, the beach and world class shopping. The city is just north of Huntington Beach, Costa Mesa and Newport Beach and just south of Santa Ana and Anaheim. Transportation to and from Fountain Valley is easy due to its proximity to freeways, John Wayne Airport and Los Angeles International Airport. Since its incorporation in 1957, Fountain Valley has been known as a nice place to live. Residents of the city adopted this expression due to the well-maintained streets, 20 parks, wide range of recreational programs and great weather throughout the year. Fountain Valley is an excellent place to live, work, play and do business. The city of Fountain Valley strives to be a business-friendly city and is home to 57,000 residents and over 5,000 service, retail and industrial businesses. Much of the city’s approach to business retention and attraction focuses on a pro-business environment.



Representative Photo of Prototype Building With Drive-Thru

# TENANT OVERVIEW

Lessee: Coffee Bean & Tea Leaf  
Parent Company: International Coffee & Tea, LLC  
Headquarters: Los Angeles, CA  
Founded: 1963  
Website: [www.coffeebean.com/](http://www.coffeebean.com/)





Today, the Coffee Bean and Tea Leaf has grown into a global presence with more than 900 company owned and franchised stores across 15 U.S. states and spanning nearly 30 countries.

The Coffee Bean & Tea Leaf (otherwise known as “Coffee Bean”) is an American coffee chain owned and operated by International Coffee & Tea, LLC. Founded in September 1963 by Mona and Herbert Hyman, the first store opened in the Brentwood neighborhood of Los Angeles and quickly became known as “the Bean” among its long-time customers, many of which included Hollywood celebrities. Singapore entrepreneurs and brothers, Sunny and Victor Sassoon and their long-time friend and business associate Severin Wunderman purchased the company and took it global in 1998. In 1996, the Sassoons bought the franchise rights for Asia, and in two years they had opened 29 outlets in Singapore and Malaysia. Two years later they bought the entire Los Angeles firm, which is now the oldest and largest privately held specialty premium coffee and tea retailer in the United States. In September 2013, Advent International partnered with CDIB Capital to acquire a significant equity position in International Coffee & Tea, LLC. Founded in 1984, Advent International is one of the largest and most experienced global investors dedicated solely to private equity. Since inception, the firm has invested more than 280 buyout transactions in 36 countries, achieving over 230 full or partial exits, and today has \$32.4 billion in assets under management. Today, the Coffee Bean and Tea Leaf has grown into a global presence with more than 900 company owned and franchised stores across 15 U.S. states and spanning nearly 30 countries.

# DEMOGRAPHICS

	ONE-MILE RADIUS	THREE-MILE RADIUS	FIVE-MILE RADIUS	
POPULATION	2015 Estimated Population	29,351	306,544	749,550
	2020 Projected Population	30,683	317,560	780,254
	2010 Census Population	28,157	297,189	721,858
	2000 Census Population	28,079	304,771	727,083
	Growth 2010-2015	4.24%	3.15%	3.84%
	Growth 2015-2020	4.54%	3.59%	4.10%
	2015 Estimated Median Age	35.43	33.49	34.08
	2015 Estimated Average Age	36.86	35.23	35.77
HOUSEHOLDS	2015 Estimated Households	7,302	73,340	203,974
	2020 Projected Households	7,658	76,445	213,466
	2010 Census Households	6,975	70,519	195,203
	2000 Census Households	6,776	70,557	192,189
	Growth 2010-2015	4.69%	4.00%	4.49%
	Growth 2015-2020	4.87%	4.23%	4.65%
	2015 Est. Average Household Size	3.94	4.12	3.61
	2015 Est. Median Household Income	\$62,866	\$58,015	\$58,220
INCOME	2020 Prj. Median Household Income	\$64,794	\$59,192	\$59,469
	2000 Cen. Median Household Income	\$56,260	\$50,190	\$48,784
	2015 Est. Average Household Income	\$75,347	\$72,529	\$74,938
	2015 Estimated Per Capita Income	\$18,745	\$17,352	\$20,393
	White Population	11,456 (39.0%)	127,533 (41.6%)	341,410 (45.5%)
RACE	Black Population	374 (1.3%)	3,866 (1.3%)	11,2239 (1.5%)
	Asian Population	9,063 (30.9%)	74,837 (24.4%)	174,736 (23.3%)
	Hispanic Population	15,446 (52.6%)	185,133 (60.4%)	396,312 (52.9%)
	White Non-Hispanic	4,116 (14.0%)	39,120 (12.8%)	154,496 (20.6%)

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**EXCLUSIVELY MARKETED BY**

**ALEX KOZAKOV**

First Vice President  
+1 213 613 3031  
Lic. 01416489  
alex.kozakov@cbre.com

**PATRICK WADE**

First Vice President  
+1 213 613 3071  
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patrick.wade@cbre.com

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400 S. Hope Street, 25th Floor  
Los Angeles, CA 90071